



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

JOHN ELIAS BALDACCI
GOVERNOR

DAVID P. LITTELL
COMMISSIONER

**Verso Androscoggin LLC
Franklin County
Jay, Maine
A-718-78-A-N**

**Departmental
Findings of Fact and Order
CO₂ Budget Source License**

After review of the CO₂ budget source license application, staff investigation reports and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A, §344 and §580-B and 06-096 CMR 115 and 156, the Department finds the following facts:

I. REGISTRATION

A. CO₂ Budget Source General Information

COMPANY NAME	Verso Androscoggin LLC
INITIAL LICENSE NUMBER	A-718-78-A-N
LICENSE TYPE	CO ₂ Budget Source License
PLANT/FACILITY/ORIS CODE	55031
PHYSICAL LOCATION	20 Riley Road
CITY/TOWN	Jay
COUNTY	Franklin
INITIAL LICENSE ISSUANCE DATE	January 15, 2009

Verso Androscoggin LLC's CO₂ authorized account representative submitted a CO₂ budget source license application pursuant to Maine's *CO₂ Budget Trading Program*, 06-096 CMR 156. The application was received by the Department on November 14, 2008 and was accepted as complete for processing by the Department on December 5, 2008.

B. CO₂ Budget Unit Information

The following CO₂ budget units are addressed by this CO₂ budget source license:

UNIT ID #	COMMENCE(D) OPERATION DATE
CT01	September 1999
CT02	October 1999
CT03	June 2000

AUGUSTA
17 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0017
(207) 287-7688 FAX: (207) 287-7826
RAY BLDG., HOSPITAL ST.

BANGOR
106 HOGAN ROAD
BANGOR, MAINE 04401
(207) 941-4570 FAX: (207) 941-4584

PORTLAND
312 CANCO ROAD
PORTLAND, MAINE 04103
(207) 822-6300 FAX: (207) 822-6303

PRESQUE ISLE
1235 CENTRAL DRIVE, SKYWAY PARK
PRESQUE ISLE, MAINE 04769-2094
(207) 764-0477 FAX: (207) 760-3143

Units CT01, CT02, and CT03 are CO₂ budget units because more than 50% of their annual heat input comes from the combustion of fossil fuels and they each serve a generator with a nameplate capacity equal to or greater than 25 megawatts (MW) electrical output. Units CT01, CT02, and CT03 also supply more than 10% of their gross electrical generation for transmission over the facilities of a transmission and distribution utility on an annual basis, so they are not currently eligible for this exemption opportunity. Units CT01, CT02, and CT03 are considered combined heat and power units located at an integrated manufacturing facility under 06-096 CMR 156.

Power Boilers No. 1 and No. 2, the Waste Fuel Incinerator, and Recovery Boilers No. 1 and No. 2 which are located at the facility are all exempt from the program other than maintaining records demonstrating that they continue to meet the exemption criteria. Power Boilers No. 1 and No. 2 are exempt because no more than 10% of the gross electrical generation from either boiler is supplied for transmission over the facilities of a transmission and distribution utility on an annual basis. The Waste Fuel Incinerator and Recovery Boilers No. 1 and No. 2 are exempt because no more than 50% of each boiler's annual heat input comes from the combustion of fossil fuels.

II. CO₂ BUDGET SOURCE LICENSE

This CO₂ Budget Source License is issued pursuant to 38 M.R.S.A, §344 and §580-B, *Major and Minor Source Air Emission License* regulations, 06-096 CMR 115, and Maine's *CO₂ Budget Trading Program*, 06-096 CMR 156.

CO₂ Budget Source License Requirements may be found below in the Order section of this license.

ORDER

Based on the above Findings and listed CO₂ Budget Source License Requirements, the Department hereby grants the CO₂ Budget Source License A-718-78-A-N pursuant to 06-096 CMR 115 and 06-096 CMR 156.

Liability

No license revision shall excuse any violation of the requirements of the CO₂ Budget Trading Program that occurs prior to the date that the revision takes effect.

Any provision of the CO₂ Budget Trading Program that applies to a CO₂ budget source (including a provision applicable to the CO₂ authorized account representative of a CO₂ budget source) shall also apply to the owners and operators of such source and of the CO₂ budget units at the source.

Any provision of the CO₂ Budget Trading Program that applies to a CO₂ budget unit (including a provision applicable to the CO₂ authorized account representative of a CO₂ budget unit) shall also apply to the owners and operators of such unit.

Effect on Other Authorities

No provision of the CO₂ Budget Trading Program, a CO₂ budget source license application, or a CO₂ budget source license, shall be construed as exempting or excluding the owners and operators and, to the extent applicable, the CO₂ authorized account representative of a CO₂ budget source or CO₂ budget unit from compliance with any other provisions of applicable State and federal law and regulations.

Severability

The invalidity or unenforceability of any provision, or part thereof, of this License shall not affect the remainder of the provision or any other provisions. This License shall be construed and enforced in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

Enforcement

Except as provided in Maine's *CO₂ Budget Trading Program Waiver and Suspension* regulations, 06-096 CMR 157, violations of Maine's *CO₂ Budget Trading Program*, 06-096 CMR 156, are enforceable, and penalties may be imposed in accordance with 38 M.R.S.A. sections 347-A, 348, and 349.

Conditions

(1) CO₂ Budget Trading Program General Provisions

The owners and operators of the CO₂ budget source and, to the extent applicable, the CO₂ authorized account representative, shall be subject to all applicable requirements contained in 06-096 CMR 156, Section 1.

The applicability provisions contained in 06-096 CMR 156, Section 1.A. shall be used to determine whether or not a particular unit is subject to the CO₂ Budget Trading Program and if so, to what degree.

The definitions contained in 06-096 CMR 156, Section 1.B. shall be used in determining the meanings of terms used in the CO₂ Budget Source License.

(2) CO₂ Allowance Allocation Provisions

The owners and operators of the CO₂ budget source and, to the extent applicable, the CO₂ authorized account representative, shall be subject to all applicable requirements contained in 06-096 CMR 156, Section 2.

As the owner of at least one CO₂ budget unit that is a combined heat and power unit located at an integrated manufacturing facility, Verso Androscoggin LLC shall submit for the Department's review and approval a projection as to the coming year's behind-the-meter CO₂ emissions from all such units. This submission shall occur prior to January 1st of each year and shall include all information and methods relied upon to determine the projection.

(3) Licensing Requirements

By applying for and receiving this CO₂ Budget Source License, Verso Androscoggin LLC has met its obligation to obtain a CO₂ Budget Source License under 06-096 CMR 156, Section 3.

(4) Monitoring, Recordkeeping, and Reporting Requirements

The owners and operators of the CO₂ budget source and, to the extent applicable, the CO₂ authorized account representative, shall comply with all applicable monitoring, recordkeeping, and reporting requirements contained in 06-096 CMR 156, Section 4.

As the owner of at least one CO₂ budget unit that is a combined heat and power unit located at an integrated manufacturing facility, Verso Androscoggin LLC shall submit to the Department quarterly reports documenting the behind-the-meter CO₂ emissions from all such units. These quarterly reports shall contain information determined in a manner and submitted in a format as approved by Department and shall be received by the Department no later than 30 days after the end of each calendar quarter.

(5) Compliance Requirements

The owners and operators of the CO₂ budget source and, to the extent applicable, the CO₂ authorized account representative, shall comply with all applicable CO₂ Budget Trading Program compliance requirements contained in 06-096 CMR 156, Section 5.

(6) CO₂ Authorized Account Representative Provisions

The owners and operators of the CO₂ budget source and, to the extent applicable, the CO₂ authorized account representative, shall comply with all applicable requirements contained in 06-096 CMR 156, Section 6.

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(7) CO₂ Allowance Tracking System

The owners and operators of the CO₂ budget source and, to the extent applicable, the CO₂ authorized account representative, shall comply with all applicable requirements contained in 06-096 CMR 156, Section 7.

(8) CO₂ Allowance Transfer Provisions

The owners and operators of the CO₂ budget source and, to the extent applicable, the CO₂ authorized account representative, shall comply with all applicable requirements contained in 06-096 CMR 156, Section 8.

DONE AND DATED IN AUGUSTA, MAINE THIS 15th DAY OF January, 2009.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: James P. Brooks for
DAVID P. LITTELL, COMMISSIONER

The term of this license shall be concurrent with the duration of Maine's CO₂ Budget Trading Program.

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: November 14, 2008

Date of application acceptance: December 5, 2008

Date filed with the Board of Environmental Protection:

This Order prepared by Eric Kennedy, Bureau of Air Quality.

